(a) whether attention of the Government has been drawn to the news-item captioned "HC notice to PNB over alleged scam" appearing in the *times of India* dated November 16, 1996;

(b) if so, the details thereof;

(c) whether the bank furnished the details of the Court;

(d) if so, the details thereof; and

(e) the action taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (e) Government have seen the news item referred to in the Question. The news item refers to a notice issued by the Delhi High Court on 15.11.1996 in respect of a Writ Petition filed by All India New Bank of India Employees Federation alleging certain financial irregularities. Punjab National Bank (PNB) has reported that in the light of directions given by the Delhi High Court, it has filed its reply in April, 1997 furnishing details of proceedings initiated and the action taken by the bank in respect of allegations made in the petition. The bank has also reported that the Petition is pending in the High Court and the matter is subjudice.

Long Time Outstanding Debit Entries

2703. SHRI RAM SAGAR: Will the Minister of FINANCE be pleased to state:

(a) the number of long outstanding debit entries in the inter-branch accounts and whether the inspectors were made responsible to make a special mention thereof in their inspection reports;

(b) if so, the number of long outstanding debit entries still outstanding in the inter-branch accounts of the banks and the time by which all these entries are likely to be sorted out;

(c) whether such unadjusted entries in inter-branch accounts were vulnerable to fraud and if so, any cases of frauds have taken place in this area; and

(d) it so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) According to Reserve Bank of India (RBI), the number of long outstanding debt entries upto 31.3.1996 in the inter-branch accounts of public sector banks (PSBs) as on 31st March, 1997 were 9.68 lakhs entries.

RBI further reported that while conducting annual financial inspection of public sector banks, their inspecting officers do look into the aspects relating to the pending entries in inter branch accounts and offer their comments.

In order to expedite reconciliation of long outstanding entries in inter branch accounts of PSBs, RBI had advised Chief Executives of all PSBs vide their communication dated 20.6.95 prescribing a time frame for adjusting the pending entries.

(c) and (d) According the RBI, unreconciled debit entries for a long time can be a fraud-prone area. It has been further stated by RBI that seven fraud cases involving Rs. 1 crore and above have been reported by banks from January, 1996. While in one case the entire amount has been recovered, in other cases complaints have been lodged by the bank with the police/CBI.

[Translation]

Better Services By Foreign Banks

2704. SHRI RAMENDRA KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the foreign banks provide better services and higher rate of interest than the Indian Nationalised Banks; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) and (b) There are differences in the operations of foreign banks and Nationalised Banks on account of their size, the network of branches, the nature of services offered, the varied clientele, the location of branches, the levels of technology, recruitment pattern and other relevant consideration. As regards rate of interest, foreign banks operating in India have to offer/charge rates of interest on deposits/advances in conformity with the directives issued by Reserve Bank of India to all commercial banks.

[English]

Container Freight Station

2705. SHRI T. GOPAL KRISHNA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government propose to develop container freight station for the Visakhapatnam Port Trust; and

(b) if so, the time by which the job is likely to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) and (b) Yes, Sir. An Inter-Ministerial Committee (IMC) is functioning to accord approvals for setting-up of Inland Container Depots (ICDs)/Container Freight Stations (CFSs) in the Country. The said IMC had cleared a proposal of the Central Warehousing Corporation (CWC) for setting-up of a CFS at Visakhapatnam Port. The CWC is going ahead with the construction within the port trust limits and it is expected that the facility could be ready during next year.

Export of Coffee

2706. SHRI N. DENNIS: Will the Minister of COMMERCE be pleased to state:

(a) whether coffee export are proposed to be brought under open General Licence Schemes;

(b) if so, the details thereof;

(c) if not, the reasons thereon; and

(d) the steps taken to keep the price at reasonable level?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (d) Coffee is a freely exportable commodity subject to the provisions of the Coffee Act, 1942, which stipulates that no coffee can be exported from India without the authorisation granted by the Coffee Board. The export price realised is a function of international demand and supply. Presently, the international prices are quite remunerative for exporters and growers.

[Translation]

Export of Sugar

2707. PROF. PREM SINGH CHNDUMAJRA:

SHRI NITISH KUMAR:

Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have fixed any target for export of sugar during 1996-97;

(b) if so, the details thereof;

(c) whether the Agricultural and Processed Food Products Export Development Authority has not issued licences for the export of aforesaid fixed target of sugar;

(d) if so, the reasons therefor; and

(e) the quantum of sugar for which export licences have been issued during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (DR. BOLLA BULLI RAMAIAH): (a) to (e) A quantity of 2.50 lakh metric tonnes of free sale sugar out of 1996-97 season's production has been released by the Government for export against Registration-cum-Allocation Certificates (RCACs) to be issued by the Agricultural and Processed Food Products Export Development Authority (APEDA) for which a Trade Notice was issued by the APEDA on 17.2.97. A quantity of 94,342 Metric tonnes of sugar was allocated by the APEDA against applications received in response to this Trade Notice. Another Trade Notice was issued by the APEDA on 25.4.97 inviting applications for issue of RCAC's for the balance quantity of 1,55,658 metric tonnes. Against this, till 29.7.97, RCACs for export of 1,29,155.50 metric tonnes of sugar have been issued.

Pan Masala Producing Units

2708. SHRIMATI KAMAL RANI: Will the Minister of FINANCE be pleased to state:

(a) whether units producing pan masala are involved in tax evasion; and

(b) if so, the steps being taken by the Government to check it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Yes, Sir.

(b) The Government maintains a strict vigil to keep a check on tax evasion. Actions envisaged under the law are taken as and when any case of tax-evasion is detected.

Central Funds to States

2709. SHRI RAMESHWAR PATIDAR: Will the Minister of FINANCE be pleased to state:

(a) the funds allocated to North Eastern States during the current five year plan period and the State-wise details thereof;

(b) whether the funds allocated to these States are less than funds allocated to other developed states in the country; and

(c) whether the funds allocated to North Eastern Council is deducted from the funds of related States of the region?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) The Planning Commission has indicated that the Central assistance to North Eastern States during the Ninth Plan has not yet been finalised.

(b) No Sir, the per capita funds allocated to North-Eastern States during Eighth Plan were much more than the funds allocated to other developed States in the country. For the Ninth Plan period also, the Government lays great emphasis on the development of the North-Eastern Region.

(c) No Sir, the funds allocated to the North Eastern Council are not deducted from the funds of related States of the region.

[English]

Irregularities in Dena Bank

2710. SHRI MOHAN REWALE: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has conducted an investigation into alleged malpractices in the Thiruvananthapuram branch of the Dena Bank;

(b) if so, the details thereof; and

(c) the action taken against the officers of the bank found guilty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) to (c) Dena Bank has reported that it has received certain complaints from